

NEWS RELEASE



OFFICE OF THE UNITED STATES ATTORNEY SOUTHERN DISTRICT OF CALIFORNIA San Diego, California

***United States Attorney
Carol C. Lam***

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NEWS RELEASE SUMMARY - August 23, 2004

United States Attorney Carol C. Lam announced today that a former real estate loan funder employed by North Island Federal Credit Union (NIFCU) pled guilty in United States District Court in San Diego on Friday, August 20, 2004, to embezzling more than nine hundred thousand dollars in Credit Union funds over a period of a year. Defendant Cynthia Lynn Reynolds, 23 years old and a resident of San Diego, pled guilty before United States Magistrate Judge Jan M. Adler to one count of embezzlement.

According to Assistant United States Attorney Orlando B. Gutierrez, who prosecuted the case, the court documents and Reynolds' admissions establish that, beginning in April 2002 and continuing for over a year, Reynolds embezzled the money from the NIFCU real estate suspense account and used those funds for her own benefit.

At the time the embezzlement was discovered, Reynolds had been employed by NIFCU for approximately one year. During her guilty plea, Reynolds admitted that she used her position as a real estate

funder to facilitate the crime and that she acted with the intent to injure and defraud NIFCU and to deceive NIFCU's officers and auditors.

Reynolds is scheduled to appear before United States District Judge Roger T. Benitez for sentencing on November 12, 2004, at 9:00 a.m. Reynolds faces a maximum sentence of thirty years in prison, criminal forfeiture, and an order of restitution for the full amount of the loss-- \$917,712.94.

United States Attorney Lam praised the efforts of the Federal Bureau of Investigation in its investigation of the case.

DEFENDANT

Cynthia Lynn Reynolds

SUMMARY OF CHARGES

Title 18, United States Code, Section 657 (Embezzlement)

Maximum penalty per count: Thirty years' incarceration; \$1,000,000 fine.

Title 18, United States Code, Section 982 (Criminal forfeiture)

AGENCY

Federal Bureau of Investigation